

## **MEDEXUS PHARMACEUTICALS INC.**

### **BOARD OF DIRECTORS MANDATE**

**Effective Date: June 9, 2021**

#### **1. Purpose**

The members of the Board of Directors (the “**Board**”) are responsible for supervising the management of the business and affairs of Medexus Pharmaceuticals Inc. (the “**Corporation**”). The Board, directly and through its committees and the chair of the Board (the “**Chair**”), shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Corporation.

#### **2. Membership**

##### ***Number of Members***

Subject to compliance with applicable law, the Corporation’s constating documents, and any agreements or other arrangements concerning the size of the Board, the Board shall be comprised of such number of members as determined by the Board from time to time.

##### ***Independence of Members***

A majority of the members of the Board shall be independent within the meaning of the provisions of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and the listing standards of any exchange upon which the Corporation’s shares are listed for trading, as may be amended from time to time.

##### ***Residency of Members***

At least 25% of the members of the Board must be resident Canadians.

##### ***Term of Members***

At each annual meeting of the Corporation’s shareholders, the Board must permit shareholders to vote on the election of all members of the Board. Each member of the Board shall serve until the member resigns, ceases to be qualified for service as a member of the Board or is removed in compliance with applicable law.

##### ***Chair of the Board***

Subject to compliance with any agreements or other arrangements concerning such matter, the members of the Board shall designate a Chair by majority vote of the full Board membership. The Chair must be a member of the Board, following consideration of the recommendation of the Compensation, Corporate Governance and Nominating Committee.

The Chair shall be an independent member of the Board, unless the Board determines that it is in the best interests of the Corporation to not require the Chair to be independent, in which case the independent directors shall select from among their number, following consideration of the recommendation of the Compensation, Corporate Governance and Nominating Committee, a further director who will act as “Lead Director”.

In the absence of the Chair, the Lead Director shall chair any meeting of the Board and in the absence of both the Chair and the Lead Director, the members of the Board present may appoint a chair from their number for such meeting.

### ***General***

Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, and financial position and performance. Each director is expected to attend all meetings of the Board and any Board committee of which they are a member. Directors are expected to have read and considered, in advance of each meeting, the materials sent to them and to actively participate in the meetings.

Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Compensation, Corporate Governance and Nominating Committee.

Directors may serve on the boards of other public issuers so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public issuer.

## **3. Meetings**

### ***Frequency of Meetings***

The Board shall meet as often as the Board considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter.

### ***Quorum***

No business may be transacted by the Board at a meeting unless a quorum of the Board is present, as specified in the Corporation's By-Laws.

### ***Secretary and Minutes***

The Corporate Secretary (to the extent one has been appointed), their designate, or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained in sufficient detail to convey the substance of all discussions held and shall be, on a timely basis, subsequently presented to the Board for approval.

### ***Attendance of Non-Members***

The Board may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

### ***Meetings of Independent Directors***

As part of each meeting of the Board, the independent directors shall hold an *in-camera* session, at which management and non-independent directors are not present, and the agenda for each

Board meeting will afford an opportunity for such a session. The independent directors may also, at their discretion, hold *ad hoc* meetings that are not attended by management and non-independent directors.

### ***Access to Management and Books and Records***

The Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the Corporation's management and employees and the books and records of the Corporation.

## **4. Responsibilities**

The Board shall have the specific functions and responsibilities outlined below and may, subject to compliance with applicable law, delegate such functions and responsibilities to a committee of the Board. In addition to these responsibilities, the Board shall perform the functions and responsibilities required of a Board by the Corporation's governing corporate statute, applicable securities laws, any exchange upon which securities of the Corporation are listed, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time or as the Board otherwise deems necessary or appropriate.

### ***Strategic Planning***

#### **(a) Strategic Plans**

The Board will adopt a strategic plan for the Corporation. The Board shall periodically review and, if advisable, approve the Corporation's strategic planning process and, at least annually, review and, if advisable, approve the Corporation's strategic planning process and short- and long-term strategic and business plans prepared by management. In discharging this responsibility, the Board shall review the plans in light of management's assessment of emerging trends, the competitive environment, the capital markets, the significant business practices and products, the opportunities and risks for the businesses of the Corporation, and industry practices.

#### **(b) Business and Capital Plans**

The Board shall periodically review and, if advisable, approve the policies and processes generated by management relating to the authorization of major investments and significant allocations of capital and, at least annually, review and, if advisable, approve the Corporation's annual business and capital plans.

#### **(c) Monitoring**

The Board shall periodically review management's implementation of the Corporation's strategic, business and capital plans and review and, if advisable, approve any material amendments to, or variances from, such plans.

### ***Risk Management***

#### **(a) General**

The Board shall periodically review reports provided by management and committees of the Board on the principal risks associated with the Corporation's business and operations and the systems implemented to identify, assess, manage and mitigate these risks, as appropriate.

(b) **Verification of Controls**

The Board shall verify that appropriate internal, financial, non-financial and business control and management information systems have been established, and are being maintained, by management.

(c) **ESG**

The Board shall provide oversight of material environmental, social and governance issues ensuring that the Corporation is mitigating associated risks and capitalizing on related opportunities.

***Financial-Related Matters***

(a) **Approval of Annual Financial Reports**

The Board shall review the annual audited financial statements of the Corporation, the auditors' report thereon and the related management's discussion and analysis of the Corporation's financial condition and financial performance (MD&A), as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the annual financial statements and the related MD&A.

(b) **Approval of Interim Financial Reports**

The Board shall review the interim financial statements of the Corporation, the auditors' review report thereon, if any, and the related MD&A, as well as the Audit Committee's recommendations in respect of the approval thereof. After completing its review, if advisable, the Board shall approve the interim financial statements and the related MD&A.

(c) **Nomination**

The Board shall review the recommendations of the Audit Committee concerning the external auditors to be nominated and, if advisable, approve such nomination.

(d) **Policies for Pre-Approval of Non-Audit Services**

The Board shall review the recommendations of the Audit Committee concerning the policies and procedures for the retainer of the Corporation's external auditors to perform any non-audit service for the Corporation or its subsidiary entities and, if advisable, approve, with or without modifications, such policies and procedures.

***Human Resource Matters***

(a) **General**

The Board shall periodically review reports, to the extent prepared, of the Compensation, Corporate Governance and Nominating Committee concerning human resource matters.

(b) **Chief Executive Officer**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the organizational goals and objectives relevant to Chief

Executive Officer compensation and, if advisable, approve, with or without modifications, such goals and objectives.

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning (i) the appointment and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) for the Chief Executive Officer, including the adoption, amendment and termination of such agreements, arrangements or plans and, if advisable, approve, with or without modifications, such appointment and other terms of employment and (ii) the Chief Executive Officer's compensation level and, if advisable, approve, with or without modifications, such compensation.

(c) **Senior Management**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the appointment of the Chief Financial Officer, all senior management reporting directly to the Chief Executive Officer and all other officers appointed by the Board (collectively "**Senior Management**") and, if advisable, after consideration of the objectives of any Diversity Policy of the Corporation, if applicable, approve any such appointment.

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee respecting the compensation and other terms of employment (including any severance arrangements or plans and any benefits to be provided in connection with a change in control) of members of Senior Management and, if advisable, approve, with or without modifications, such compensation and other terms of any employment agreements and any severance arrangements or plans.

(d) **Succession Review**

The Board shall review the succession plans of the Corporation for the Chair and, if applicable, the Lead Director. The Board shall also periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee with respect to succession planning matters concerning Senior Management and the Chief Executive Officer, as well as general executive development programs, and, after consideration of the objectives of the Diversity Policy of the Corporation, develop the succession plans of the Corporation.

(e) **Integrity of Senior Management**

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other members of Senior Management and that the Chief Executive Officer and other members of Senior Management strive to create a culture of integrity throughout the Corporation.

(f) **Director Remuneration**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the remuneration (fees and/or retainer) to be paid to, and the benefits to be provided, to members of the Board and, if advisable, approve, with or without modifications, such remuneration.

(g) **Equity-Based Compensation Plans**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the adoption of equity-based compensation plans of the Corporation and, if advisable, approve, with or without modifications, the adoption of such plans.

***Nomination Matters***

(a) **General**

The Board shall periodically review reports of the Compensation, Corporate Governance and Nominating Committee concerning nomination matters.

(b) **Nominee Identification**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the potential nominees for election or appointment to the Board and, after considering (i) the results of the Board and director effectiveness evaluation process, (ii) the competencies, skills and other qualities that the Compensation, Corporate Governance and Nominating Committee considers to be necessary for the Board as a whole to possess, the competencies, skills and other qualities that the Compensation, Corporate Governance and Nominating Committee considers each existing director to possess, and the competencies, skills and other qualities each new nominee would bring to the boardroom, (iii) the amount of time and resources that nominees have available to fulfill their duties as Board members, (iv) the objectives of the Diversity Policy of the Corporation, and (v) any applicable independence, residency and/or other requirements, approve, if advisable, with or without modifications, the individual nominees for consideration by, and presentation to, the shareholders at the Corporation's next annual meeting of shareholders or appointment to the Board between such meetings.

(c) **Committees of the Board**

The Board shall annually evaluate the performance, and review the work, of its committees. The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the individual directors to serve on (or to depart from) the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of directors among the committees, and (iii) the number of boards and other committees on which the directors serve, approve the appointment of such directors to (or departure from) the committees as the Board deems advisable.

(d) **Director Independence**

The Board shall periodically review the Board's and the Board committees' ability to act independently from management in fulfilling their responsibilities and in doing so the Board shall (i) to the extent applicable, review the application and evaluation by the Compensation, Corporate Governance and Nominating Committee of the director independence standards applicable to members of the Board and (ii) review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning a reduction or increase in the number of independent directors and, if advisable, approve, such reduction or increase.

(e) **Board and Committee Size**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning a reduction or increase to the size of the Board or any Board committee and if advisable, approve, such a reduction or increase.

(f) **Board Renewal**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning mechanisms of Board renewal (e.g., a retirement age or term limits for directors), and if advisable, approve, with or without modifications, the adoption of any such mechanisms.

(g) **Majority Voting**

The Board shall review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning resignations of directors pursuant to the Corporation's Majority Voting Policy in respect of the election of directors and if advisable, accept or reject any such resignation, in accordance with the terms of the Corporation's Majority Voting Policy.

***Corporate Governance Matters***

(a) **General**

The Board shall periodically review reports of the Compensation, Corporate Governance and Nominating Committee concerning corporate governance matters.

(b) **Governance Policies**

The Board has adopted a Disclosure Policy, Insider Trading Policy, Diversity Policy, Environmental, Social Governance Policy, Majority Voting Policy and Whistleblowing Policy. The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to such policies or the adoption of such further governance policies and if advisable, approve, with or without modifications, the adoption of any such changes or new governance policies.

(c) **Code of Conduct**

The Board has adopted a written Code of Conduct (the "**Code**") applicable to directors, officers and employees of the Corporation among others. The Board shall periodically review the reports of the Compensation, Corporate Governance and Nominating Committee relating to compliance with, material departures from, and investigations and any resolutions of complaints received under, the Code.

The Board shall also review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to the Code and if advisable, approve, with or without modifications, the adoption of any such changes.

(d) **Board of Directors Mandate Review**

The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to this Mandate and if advisable, approve, with or without modifications, the adoption of any such changes.

(e) **Committees of the Board**

The Board has established an Audit Committee, a Compensation, Corporate Governance and Nominating Committee, and a Business Strategy Committee. Subject to applicable law, the Board may establish other Board committees or merge or dissolve any Board committee at any time. The Board has approved charters for each Board committee and shall approve charters for any new Board committee. The Board has delegated to the applicable committee those responsibilities set out in each Board committee's charter.

The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning changes to each Board committee's charter and if advisable, approve, with or without modifications, the adoption of any such changes.

The Board shall annually, or as otherwise required or deemed advisable, review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning the individual directors to serve on the standing committees of the Board and, after considering (i) the qualifications for membership on each committee, (ii) the extent to which there should be a policy of periodic rotation of directors among the committees, and (iii) the number of boards and other committees on which the directors serve, approve the appointment of such directors to the committees as the Board deems advisable.

(f) **Director Development and Evaluation**

Each new director shall participate in the Corporation's initial orientation program and each director shall participate in the Corporation's continuing director education programs. The Board shall periodically review the recommendations of the Compensation, Corporate Governance and Nominating Committee concerning proposed changes to the Corporation's initial orientation program and continuing director education programs and if advisable, approve, with or without modifications, the adoption of any such changes.

**Communications**

(a) **General**

The Board has adopted a Disclosure Policy for the Corporation. If consensus cannot be reached at a meeting of the disclosure committee created pursuant to the Disclosure Policy, the Board shall consider the matter.

(b) **Shareholders**

The Corporation endeavors to keep its shareholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases.



## **5. Outside Advisors**

The Board shall have the authority to retain and terminate, from a source independent of management, external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Corporation. The Corporation shall provide appropriate funding, as determined by the Board, for the services of these advisors.

## **6. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's constating documents, it is not intended to establish any legally binding obligations.

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As adopted by the Board of Directors on June 9, 2021.